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Creating an environment at the national and international levels conducive to generating full and productive employment and decent work for all, and its impact on sustainable development

Statement submitted by the Indian Social Institute, a non-governmental organization in consultative status with the Economic and Social Council

The Secretary-General has received the following statement, which is being circulated in accordance with paragraphs 36 and 37 of Economic and Social Council resolution 1996/31.

* E/2006/100.

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Statement

The Indian Social Institute, a non-governmental organization in New Delhi was established in 1951 in response to the challenges of nation-building of independent India. Since its inception, the institute has consistently focused its research, publications, training and advocacy programmes on the Castes, the tribes, the marginalized and the excluded.

Our experience from several years of research, and interaction with the grass-roots groups and civil society conclude that the economic reforms introduced over the past several years in India may have given a boost to industrial productivity, brought in foreign investment in capital intensive areas and enabled the stock market to experience unprecedented growth. But the boom has not created the projected jobs or brought economic prosperity to the poor. And even when jobs have been created as a result of the economic boom, they are largely in the organized sector.

More than 90 per cent of India's labour force is employed in the unorganized sector, i.e. sectors which don't provide the social security and other benefits of employment that exist in the organized sector.

In the rural areas, agricultural workers form the bulk of the unorganized sector and in urban India, contract and subcontract labourers, as well as migratory labourers, make up most of the unorganized labour force. It is this sector that suffers the most amidst the rising economic boom. Due to the very nature of their unorganized status, often they become the victims from the lack of enforcement of the Minimum Wage Act. Without the collective bargaining tool, they are at the mercy of their employers.

Combined with underemployment, the unorganized sector is vulnerable to exploitation of, on several fronts, including: long hours of work in a dangerous and unhealthy environment; often without protective gear; lack of health insurance; and lack of social security and health benefits

A substantial proportion of the unorganized labour force is either illiterate or has an education below the primary level. Their chances to go up the job ladder are marginal or nearly impossible. The low educational status combined with the high unemployment rate in the country keep the unorganized sector vulnerable to exploitation.

Given such a scenario, the unorganized sector needs the attention of the State and the NGOs. The State must create monitoring mechanisms to protect the unorganized sector from being exploited by unscrupulous corporations, businesses and individuals. Laws should be in place and stringent punishments in order so that this sector is not exploited and pushed further into marginalization and poverty.

The right to a just wage should be part of a human rights project and should be backed by appropriate law. Indian Social Institute is committed to the cause of the unorganized and the exploited labour force.